

**IDAHO REAL ESTATE COMMISSION
MEETING MINUTES
May 22, 2008**

Pursuant to notice given, the meeting of the Idaho Real Estate Commission (Commission) was held at The Idaho Real Estate Commission, on Thursday, May 22, 2008 at 8:30 a.m.

Commission Members Present:

Steve Kohntopp, Chair, Filer
Andy Enrico, Vice Chair, Boise
Kelly Fisher, Member, Pocatello
Pam Trees, Member, Lewiston
Comprising a quorum of the Commission

Members Absent:

Staff Present:

Jeanne Jackson-Heim, Executive Director
Craig Boyack, Chief Investigator
Mandy Frary, Education Director
Tammy Anderson, Administrative Assistant
Neal Bernklau, Licensing Supervisor

Others Present:

Kim Coster, Commission Legal Counsel
See attached list

Meeting was called to order at 8:31 a.m. by Commission Chair, Steve Kohntopp.

Introductions:

- a. Commissioners
- b. Staff

Approval of Meeting Minutes: Motion was made by Kelly Fisher to approve the April 17, 2008 Commission meeting minutes. Motion carried.

Approval of Agenda: Motion was made by Kelly Fisher to approve the May 22, 2008 agenda. Motion carried.

Financial Reports: Motion was made by Kelly Fisher to approve the April 2008, Financial Reports. Motion carried.

Salesperson and Broker Licenses Issued: Members reviewed the salesperson and broker licenses issued during the month of April 2008, a copy of which has been made part of these minutes. Motion was made by Kelly Fisher to approve the report. Motion carried.

License Examination Statistics:

Commissioners reviewed the license exam statistics report. There was a discussion on posting license examination statistics on IREC's website.

Staff Reports:

The following reports were presented for members' review; copies of which are on file at the Commission office:

- **Complaint Summary Report**
- **Audit Summary Report**
- **Enforcement Telephone Activity Log**
- **Education Funds Awards**
- **FY07-FY08 Analysis of Active & Inactive License Base**
- **On-Line Renewal Report**
- **Information and Technology Reports**

Online Lottery Drawing: Scott Stewart (DB17323), from Cornerstone Brokers, Inc., Eagle, won the lottery drawing for May 22, 2008.

Idaho Association of REALTORS® Report:

Kevin Price reported on the NAR Mid-year meeting and IAR membership numbers. Kevin also gave an update on the McCall Inclusionary Zoning case stating that IAR won the case and the judge has ordered the city to pay IAR's legal fees.

Commission's Counsel Report:

- **TIC Regulatory Update:** Kim advised members that, following the notice and comment period of the SEC's proposed rulemaking (to grant NAR's request to exempt commercial Real Estate brokers from the registration requirements of the securities law), NAR and other interested groups decided to pursue a two-prong exemption, allowing real estate licensees to receive in a TIC security transaction: (1) a fee for real estate advisory services; and (2) a referral fee.

The NAR's TIC Committee chairman, Blaine Walker, indicated NAR still believes that brokering TIC's should require a real estate license, but is urging state regulators to give some time to the SEC exemption process before taking action. Kim reminded members they had taken a similar position last March in the proposed Memorandum of Understanding with the Dept. of Finance. Discussion followed. Members agreed to take no enforcement actions pending the SEC exemption process.

Executive Director's Report:

- **Consideration of Changes to Nebraska License Agreement:** A Nebraska law change requires changes to their license agreement with Idaho to be amended. After discussion, a motion was made by Pam Trees to terminate the Nebraska agreement. Motion carried.
- **Draft Blue Brochure:** Jeanne presented a revised Agency Disclosure Brochure to the Commissioners for their approval and suggestions. Discussion followed. A motion was made by Andy Enrico to approve the Agency Disclosure Brochure subject to minor revisions directed by Andy Enrico. Motion carried.
- **Renewal Deadlines (When the 31st falls on a weekend):** Jeanne stated that there are questions that have risen about how to handle renewal deadlines when the last day of the month falls on a Saturday. Discussion followed. A motion was made by Andy Enrico to allow a grace period to the next business day. Motion carried.
- **ARELLO Time Share Registry Agreement:** Was discussed. A motion was made by Andy Enrico to move forward and enter the Agreement for the ARELLO Time Share Registry. Motion carried.
- **Update on Building Purchase:** Jeanne spoke with the Governor's attorney about authorizing IREC to purchase a building. The Governor's attorney said the Governor would want a constitutional amendment requiring self-governing agencies such as IREC to make in lieu tax payments so the local tax burden would be shared with, and not shifted to, private-owners. It was suggested to keep the purchase of a building on the list for future consideration.

Education Council and Director's Report:

- IDW Update: Mandy Frary stated that the budget for IDW was on track and shared feedback from instructor evaluations. Comments ranged from it would be nice to have a question and answer session to maybe IDW should be held in April and that the core should be four hours of continuing education credit instead of three. There were some concerns on materials and presentation of information. One instructor missed the first day of IDW and is asking what can be done to fulfill requirement. It was suggested that the instructor submit a request for special consideration to the Education Council. Discussion followed.
- Meet and Greet: Mandy attended a Valuation and Analysis class. Discussion followed.

Education Funds Awards and Petitions: After review and discussion on the Funds Awards applications and the recommendations of the Education Council, a motion was made by Andy Enrico to adopt the Council's recommendations and to grant and deny requests for Education Funds Awards as follows:

Jim Igel, Pioneer Real Estate School, new course development was approved in the amount of One Thousand Six Hundred Twenty-Eight Dollars (\$1,628.00).

Cindy Rhinevault, Land Education Foundation, Event/Speaker Offering, will be continued to June's Commission meeting.

Wendy Selditz, GIFAR, Event/Speaker Offering was approved for One Thousand Dollars (\$1,000.00).

Motion carried.

Enforcement:

- **Voluntary License Surrender:** Motion made by Andy Enrico to ratify the Voluntary License Surrender received from Reed L. Kofoed. Motion carried.
- **Request to reactivate suspended license:** A motion was made by Andy Enrico to approve David F. Burk's request and allow him to reactive his suspended license. Motion carried.
- Craig Boyack asked Commissioners if they wanted to continue reviewing the Voluntary License Surrenders. Commissioners stated they want to keep seeing them.

Executive Session: In accordance with section 67-2345(1)(f), Idaho Code, a motion was made by Kelly Fisher to adjourn to executive session to obtain advice of legal counsel regarding the procedural requirements for reconsideration of a previously-rejected stipulation and to seek legal advice concerning possible filing of a tort claim against IREC; and, in accordance with section 67-2345(1)(b), to evaluate the performances and renewal of contracts for Executive Director and Commission Attorney. Motion carried.

Regular Session: There being no further purpose for an executive session, a motion was made by Pam Trees to adjourn the executive session. Motion carried.

Review of FY 2009 Attorney Contract: A motion was made by Andy Enrico to renew Kim Coster's contract as presented. Motion carried.

Jeanne's Review: A motion was made by Andy Enrico to recommend a five percent pay increase and the Chairman will write a letter of recommendation. Motion carried.

Executive Session: In accordance with section 67-2345 (1)(d) & (f), Idaho Code, a motion was made by Andy Enrico to adjourn to executive session to review probable cause memoranda submitted pursuant to Section 54-2058(1), Idaho Code. Motion carried. Members reviewed probable cause memoranda.

Regular Session: There being no further purpose for an executive session, a motion was made by Andy Enrico to adjourn the executive session. Motion carried.

Probable Cause Memo # 08-11700 A motion was made by Pam Trees finding that the facts set forth in the memorandum of probable cause provided to them by the Executive Director, pursuant to Section 54-2058(1), are sufficient to proceed with formal action on the violations presented. Commission staff is authorized to file an administrative complaint. Motion carried.

Probable Cause Memo # 08-06400 A motion was made by Pam Trees finding that the facts set forth in the memorandum of probable cause provided to them by the Executive Director, pursuant to Section 54-2058(1), are sufficient to proceed with formal action on the violations presented. Commission staff is authorized to file an administrative complaint. Motion carried.

Probable Cause Memo # 08-12000, 08-12001 A motion was made by Andy Enrico finding that the facts set forth in the memorandum of probable cause provided to them by the Executive Director, pursuant to Section 54-2058(1), are sufficient to proceed with formal action on the violations presented. Commission staff is authorized to file an administrative complaint. Motion carried.

Probable Cause Memo # 08-07-80200, 07-80201, 07-80202, 07-80203 A motion was made by Kelly Fisher finding that the facts set forth in the memorandum of probable cause provided to them by the Executive Director, pursuant to Section 54-2058(1), are sufficient to proceed with formal action on the violations presented. Commission staff is authorized to file an administrative complaint. Motion carried.

Probable Cause Memo # 07-26300, 07-26301 A motion was made by Kelly Fisher finding that the facts set forth in the memorandum of probable cause provided to them by the Executive Director, pursuant to Section 54-2058(1), are sufficient to proceed with formal action on the violations presented. Commission staff is authorized to file an administrative complaint. Motion carried.

Probable Cause Memo # 07-01500 A motion was made by Andy Enrico finding that the facts set forth in the memorandum of probable cause provided to them by the Executive Director, pursuant to Section 54-2058(1), are sufficient to proceed with formal action on the violations presented. Commission staff is authorized to file an administrative complaint. Motion carried.

Special Considerations:

Executive Session: In accordance with section 67-2345 (1)(d) and 9-340C(9), Idaho Code, a motion was made by Andy Enrico to adjourn to executive session to review special request licensure files submitted pursuant to Section 54-2012(1) and 54-2022(6), Idaho Code. Motion carried. Members reviewed exempt records submitted by petitioners in support of the requests for special consideration.

Regular Session: There being no further purpose for an executive session, a motion was made by Andy Enrico to adjourn the executive session. Motion carried.

Special Consideration #08-010 Exemption For Review 54-2012(1)(f). Following discussion and review of the documents submitted, motion was made by Kelly Fisher to approve request. Motion carried.

Special Consideration #08-011 – Waive Exam/Fingerprinting Requirements for Re-licensure 54-2012. Following discussion and review of the documents submitted, motion was made by Pam Trees to waive exam only and have licensee resubmit fingerprints. Motion carried.

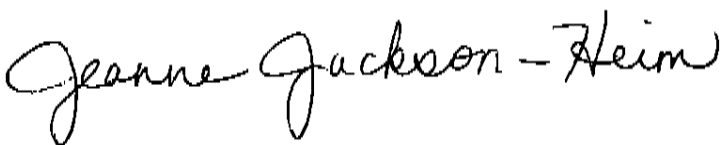
Special Consideration #08-012 Waive Broker Experience Requirement of 54-2012(2)(a). Following discussion and review of the documents submitted motion was made by Andy Enrico to approve a limited broker's license and extend his submission of application for seven business days. Motion carried.

Special Consideration #08-013 Exemption For Review 54-2012(1)(f). Following discussion and review of the documents submitted, motion was made by Andy Enrico to approve request. Motion carried.

Special Consideration #08-014 Exemption For Review 54-2012(1)(f). Following discussion and review of the documents submitted, motion was made by Kelly Fisher to approve request. Motion carried.

There being no further business, motion was made by Andy Enrico to adjourn the meeting at 3:15 p.m. Motion carried.

Respectfully Submitted,




Jeanne Jackson-Heim
Executive Director

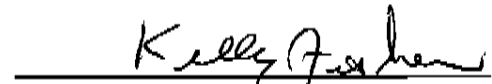
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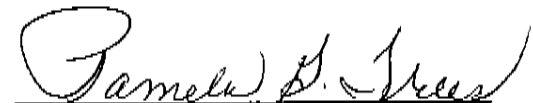
Attachments: Licenses Issued April 2008
 FY07-FY08 Analysis of Active & Inactive License Base
 Online License Reports
 Complaint Summary Report
 April 2008, Financial Reports
 Information and Technology Reports

Minutes of the Idaho Real Estate Commission meeting in Boise, Idaho, on May 22, 2008, are hereby approved.


Steve Kohntopp, Chair


Andy Enrico, Vice Chair


Kelly Fisher, Member


Pamela Trees, Member